

**UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND**

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In re MUTUAL FUNDS INVESTMENT: : Case No.: 04-md-015861 (CCB)
LITIGATION :
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THIS DOCUMENT RELATES TO :
THE SCUDDER SUBTRACK :
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**DECLARATION OF LAWRENCE DEUTSCH, ESQ. IN SUPPORT OF FINAL
APPROVAL OF THE SETTLEMENT, LEAD COUNSEL’S REQUEST
FOR ATTORNEYS’ FEES AND REIMBURSEMENT OF EXPENSES,
AND AWARD TO LEAD PLAINTIFFS FOR COSTS AND EXPENSES**

I, Lawrence Deutsch, declare and state, under penalty of perjury, that the following is true and correct to the best of my knowledge, information and belief:

1. I am a shareholder of Berger & Montague, P.C. (“Berger & Montague”). By Order dated May 25, 2004, the Court appointed Berger & Montague to serve as lead counsel for the Class (“Lead Counsel” or “Lead Plaintiff’s Counsel”) in the above-captioned class action (the “Class Action”) and Wolf Haldenstein Adler Freeman and Herz LLP as counsel in the above-captioned derivative action (the “Derivative Action”) (collectively with the Class Action, the “Actions”).¹ As Lead Counsel, Berger & Montague directed the litigation of this Action on behalf of all purchasers and/or holders of Deutsche Bank, Scudder, and/or Kemper mutual funds between July 30, 1999 and January 12, 2004. Lead Counsel also carried out the duties and responsibilities outlined in the Court’s Case Management Order No. 1, namely: (1) serving as a contact point for defense counsel on fund family specific administrative issues; (2) drafting and

¹ Unless otherwise noted, terms used in this memorandum have the same meanings as those referenced or defined in the Preliminary Approval Order dated May 19, 2010.

negotiating case management orders on fund family specific issues; (3) coordinating discovery and assigning discovery tasks; (4) serving as the primary spokesperson in conferences and hearings on fund family specific administration issues; and (5) coordinating settlement discussions. I have personal knowledge of the matters described below and am competent to testify thereto.

2. I make this Declaration, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, on behalf of Lead Plaintiff Post-Retirement Health Insurance Plan and Trust (“Lead Plaintiff” or “PRHIPT”), in support of (a) Plaintiffs’ Motion for Final Approval of Settlements, Approval of Plan of Allocation, and Certification of Settlement Class and (b) Application for Award of Attorneys’ Fees and Reimbursement of Expenses. This Declaration provides information about the Actions, the Settlement and the services performed by Lead Plaintiff and Lead Counsel that resulted in the Settlement.

3. The Settlement submitted to the Court for approval represents an outstanding result in a challenging case. As set forth in greater detail below, the Settlement provides for a cash payment in the total amount of \$13.966 million, plus interest (the “Settlement” or the “Settlement Amount”), to compensate members of the Class and to pay attorneys’ fees, reimburse expenses and provide for an award to Lead Plaintiff for its representation of the Class as awarded by the Court. Considering the risks of litigation, this is an excellent result for the Class.

4. The Settlement was achieved only through the vigorous prosecution of Plaintiffs’ and the Class’ claims by Lead Counsel, after six years of contentious, hard-fought litigation and, in the case of the Deutsche/Scudder portion of the Settlement, vigorous mediation before former JAMS mediator Michael D. Young. Indeed, the bulk of the Settlement – namely, the \$12.8

million payment by the Deutsche/Scudder Defendants – was negotiated only after complete fact and expert discovery had occurred, and after summary judgment, class certification, and the admissibility of experts had been fully briefed and vigorously argued before the Court. Thus, Lead Plaintiff and Lead Counsel were fully aware of all of the strengths and weaknesses of the case when the parties reached the Settlement.

5. Specifically, as detailed herein, the Settlement was reached only after (1) Lead Counsel conducted an extensive investigation of the relevant facts and law; (2) the parties served and responded to comprehensive document requests; (3) Lead Counsel subpoenaed several third-parties for documents and testimony (including investment firms holding omnibus accounts in the Deutsche/Scudder Settlement Funds, the United States Securities and Exchange Commission, and the independent distribution consultant for the Deutsche/Scudder Defendants' regulatory settlements); (4) Lead Counsel reviewed and analyzed over one million pages of documents produced by Defendants and third-parties; (5) the parties took and defended 51 fact and expert depositions (including depositions conducted by Lead Counsel of (a) Deutsche/Scudder Defendants' key employees responsible for developing policies concerning market timing, detecting market timing, stopping market timing, and making disclosures to investors concerning market timing; (b) alleged market timers; and (c) representatives of investment firms holding omnibus accounts in the Deutsche/Scudder Settlement Funds; (6) Lead Counsel successfully opposed two hard-fought motions to dismiss filed by Defendants; (7) the parties served and responded to interrogatories and requests for admission; (8) the parties consulted with experts and retained testifying experts on liability and damages who developed and served detailed expert reports, and testified at depositions defending their reports; and (9) Lead Plaintiff and the

Deutsche/Scudder Defendants engaged in settlement negotiations, including a mediation with an experienced mediator, Michael D. Young of JAMS.

6. In addition, although Plaintiffs had obtained substantial evidence during discovery to support its claims and believed that it could prove its claims against Defendants to a jury, the Settlement was reached after Lead Counsel had a complete understanding not only of the strengths of its case, but also of the risks of proceeding to trial, including that it was far from certain that a jury would find that any of the Defendants were liable or that the jury would find scienter. Furthermore, Defendants were represented by highly experienced and tenacious counsel who presented Plaintiffs with a number of serious obstacles, by filing numerous motions, including a motion to preclude Plaintiffs' damages and liability experts. By the time settlement was reached, Lead Counsel had litigated the Action for six years, and Plaintiffs' Counsel had spent nearly one million dollars in out-of-pocket expenses with no assurance that Plaintiffs would win a judgment at trial, and the prospect that, even if Plaintiffs won, Defendants would appeal, further delaying recovery for the Class. Moreover, even if Plaintiffs succeeded in proving liability, there was no assurance that they would obtain damages beyond the amount of the Settlement.

7. For the reasons discussed below, the proposed Settlement is fair, reasonable, adequate and in the best interests of the Class. Because the proposed Settlement satisfies all relevant legal standards for approval of class action settlements, it should be approved.

8. In addition, the petition for attorneys' fees in the amount of \$4,085,055, plus interest, representing 29.25% of the Settlement Amount, represents a fair and reasonable percentage of the recovery obtained.² As fully set forth in Plaintiffs' Supplemental Memorandum

² This amount includes \$ 3,910,480 (28%) for Class and Derivative Counsel and \$ 174,575 (1.25%) for Liaison Counsel.

of Law in Support of Application Attorneys' Fees and Reimbursement of Expenses (the "Fee Memorandum"), the percentage fee requested by Plaintiffs' Counsel represents a fractional (negative) multiplier on Lead Counsel's and other counsels' time spent prosecuting the case and falls well below the range of fees awarded in similar class actions. Likewise, reimbursement of the total litigation expense of \$973,395.15 and the requested award to Lead Plaintiff are also fair and reasonable and should be approved.

9. The requested fee in this case not only represents a reasonable percentage of the benefit obtained, but also reasonably reflects the work accomplished by Lead Counsel and other counsel. Lead Counsel spent 22,744.28 hours of attorney and paralegal time vigorously prosecuting the case for six years, resulting in a lodestar of \$8,626,756.40 for Lead Counsel alone. In addition, other class counsel had a lodestar of \$887,386.55, and Derivative Counsel had a total lodestar of \$1,563,021.21. The requested fee for Class and Derivative Counsel of \$ 3,910,480 thus is far less than Counsel's normal hourly rates, resulting in a negative multiplier of 0.35 of such rates.³ As set forth in the accompanying Fee Memorandum, this negative multiplier falls well below the range of multipliers approved by courts in the Fourth Circuit and reflects that Lead Counsel will not be compensated for well over 50% of its lodestar.

10. Potential members of the Class received notice in this Action. First, in compliance with the Court's May 19, 2010, Preliminary Approval Order, Rust Consulting, Inc., the Claims Administrator designated by Lead Counsel, disseminated a total of 1,017,092 copies of the Postcard Notice on or about June 29, 2010. *See* Ex. A, Affidavit of Eric Schacter Regarding Mailing of the Notice (the "Schacter Affidavit") at ¶ 4. In addition, pursuant to the Preliminary

³ The calculation of the negative multiplier is based only on the \$3,908,800 (28%) requested for Class and Derivative Counsel and excluded the \$174,500 (1.25%) requested for Liaison Counsel because Liaison Counsel's lodestar is calculated on a cross-track basis.

Approval Order, a Publication Notice was published in *People* magazine, in *The Wall Street Journal*, in *The New York Times*, over *PR Newswire*, and as banner advertisements on various websites, including CNN.com, AOL.com, Hotmail.com, Facebook.com, Yahoo.com, and The Wall Street Journal online, on various dates between July 6 and August 4, 2010. *See* Ex. B, Declaration of Stephen J. Cirami Concerning Compliance With The Publication Components Of The Notice Programs at ¶¶ 2-4. Finally, a Long Notice containing a full description of the details of the Settlement and Plan of Allocation was made available at www.scudderfundsettlement.com, and to those who requested it in writing. *See* Ex. A, Schacter Affidavit at ¶¶ 9-12.

In response to this extensive notice procedure, as of September 13, 2010 only thirteen members of the Class opted out of the Class Action. *See* Ex. A, Schacter Affidavit at ¶ 14. The requested fee is consistent with the percentage described in the Notice of Settlement sent to all potential members of the Class. Notably, although more than one million copies of the Postcard Notice were mailed to potential members of the Class, there have been no objections to the Settlement, the Plan of Allocation, Plaintiffs' Counsel's requested fees and reimbursement of expenses or the requested award for Lead Plaintiff's representation of the Class.

11. Lastly, the Settlement and requested attorneys' fees have been negotiated with and endorsed by Lead Plaintiff PRHIPT, which is a sophisticated institutional investor that has firsthand knowledge of the strengths and weaknesses of its claims, including the risks of litigation and the chances of obtaining a recovery larger than the Settlement in light of the risks associated with a trial. Moreover, as set forth is the accompanying Declaration of Richard S. Hoffmann, Esq., General Counsel for PRHIPT, PRHIPT directly monitored Lead Counsel's efforts to obtain

the recovery for the Class and has approved both the Settlement and Lead Counsel's fees. *See* Ex. C, Declaration of Richard S. Hoffmann, Esq., Counsel and Trustee of Lead Plaintiff Post-Retirement Health Insurance Plan and Trust in Support of an Award to Post-Retirement Health Insurance Plan and Trust for Reimbursement of Reasonable Costs and Expenses Incurred in Representation of the Class and in Support of Final Approval of the Settlement and of Counsel's Application for Attorneys' Fees (the "Hoffmann Declaration") at ¶¶ 6, 8, 10, 14.

12. In light of the foregoing, the proposed Settlement is an outstanding result worthy of final approval by the Court, and the requested fee and expense award, and the award to Lead Plaintiff for its representation of the Class, should be granted, as more fully explained in the Supplemental Memorandum in Support of Plaintiffs' Motion for Final Approval of Settlements, Approval of Plan of Allocation, and Certification of Settlement Class (the "Settlement Memorandum") and the Fee Memorandum.

I. BACKGROUND AND HISTORY OF THE LITIGATION

A. History of the Proceedings

13. The Deutsche/Scudder Defendants are comprised of numerous entities that, during the Class Period, offered to the public and managed hundreds of open-end mutual funds.

14. This action was brought against the Deutsche/Scudder Defendants, the UBS Defendants, Banc of America Securities, Inc. ("BAS"), the Canary Defendants, and the Aurum Defendants.⁴

15. On January 12, 2004, defendant Deutsche Asset Management issued a media statement revealing that it had identified market timing arrangements with an investment advisory

⁴ Numerous other defendants were added or removed at various times during the course of the litigation. Only the above-referenced defendants are part of the Settlement; the remaining defendants have been or are being dismissed.

firm in Scudder Funds. In the media statement, Deutsche Asset Management stated as follows:

As part of a review that is not yet complete, Scudder has identified an arrangement with an outside investment advisory firm that traded frequently in a small number of funds. The arrangement with the outside investment advisory firm, about which our review is continuing, began before the new Scudder management team was in place in 2002. In early 2003, management initiated steps that led to the subsequent termination of this arrangement.

We have provided the preliminary results of this review to the appropriate regulators and the fund boards.

16. On the same day, the Deutsche/Scudder Defendants filed with the SEC prospectus supplements for various funds, including the Scudder European Equity Fund, Scudder International Equity Fund, and Scudder International Select Equity Funds, disclosing that the funds were subject to the market timing arrangement mentioned above. The Deutsche/Scudder Defendants stated, in relevant part, as follows:

Regulatory Update. As are many other mutual fund complexes, Scudder is conducting an ongoing review of market timing in the Scudder Funds – including trading by clients, employees and ex-employees. Market timing refers generally to the frequent trading in and out of mutual fund shares in order to take advantage of pricing inefficiencies.

Scudder has identified an investment advisory firm that had an arrangement with the organization that resulted in frequent trading, including trading in your fund, inconsistent with registration statement policies. We are currently investigating the extent of such trading and whether it caused dilution. The arrangement with the outside investment advisory firm began before the new Scudder management team was in place in 2002. In early 2003, management initiated steps that led to the subsequent termination of the arrangement. Scudder will work with your fund's board to establish an appropriate measure of dilution losses, if any, related to the trading, and reimbursement for those losses.

The inquiry into market timing in the Scudder Funds is ongoing. Scudder has provided information about the preliminary results of

its review to the appropriate regulators and to the fund boards. Scudder continues to cooperate with each regulator that has sought information.

17. In response to this disclosure, the first action against the Deutsche/Scudder Defendants was commenced on January 22, 2004, by the filing of a complaint in the Southern District of New York captioned *Smith v Scudder 21st Century Growth Fund, et al.*, 04-CV-00520. Additional complaints were filed thereafter in the Southern District of New York.

18. On March 22, 2004, Lead Plaintiff PRHIPT filed its motion for consolidation, for its appointment as lead plaintiff on behalf of the Class and for approval of Lead Plaintiff's selection of Lead Counsel and Liaison Counsel in the Southern District of New York.

19. Ultimately, all of the filed cases were transferred to the District of Maryland by the Judicial Panel on Multidistrict Litigation.

20. By Order dated May 25, 2004, the Court appointed PRHIPT as Lead Plaintiff and Berger & Montague, P.C. as Lead Counsel for the Class Action. In addition to representing Lead Plaintiff in the Class Action, Lead Counsel was charged with the following responsibilities: (1) serving as a contact point for defense counsel on fund family specific administrative issues; (2) drafting and negotiating case management orders on fund family specific issues; (3) coordinating discovery and assigning discovery tasks; (4) serving as the primary spokesperson in conferences and hearings on fund family specific administration issues; and (5) coordinating settlement discussions.

21. The Court appointed Wolf Haldenstein Adler Freeman & Herz LLP as fund derivative counsel for the Derivative Action.

B. The Consolidated Complaint and The Motion To Dismiss

22. On September 29, 2004, Lead Plaintiff filed its Consolidated Amended Class Action Complaint (the "Complaint"), which superseded all prior complaints filed in the Action and alleged claims under sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, as amended by the Private Securities Litigation Reform Act of 1995 ("PSLRA"), 15 U.S.C. § 78u-4 et seq., sections 11, 12(a)(2) and 15 of the Securities Act of 1933, sections 34b, 36a, 36b, and 48a of the Investment Company Act of 1940, and various claims under state law. The Complaint alleged claims on behalf of a Class that included all purchasers and/or holders of Scudder mutual fund shares between January 12, 1999, and January 12, 2004.⁵ Defendants named in the Complaint were the Deutsche/Scudder Defendants, numerous individuals who were or had been officers and/or directors of the Deutsche/Scudder Defendants or Scudder mutual funds, and the corporate UBS Defendants (but not the individual UBS Defendants).

23. In the Complaint, Lead Plaintiff alleged that Defendants improperly permitted and/or facilitated market timing and late trading in Scudder mutual funds, causing dilution of profits and exaggeration of losses in the funds, as well as causing payment of excessive management fees by investors in the three Scudder funds referenced in the Deutsche/Scudder Defendants initial press release. The Complaint contained detailed allegations, including allegations from a confidential witness interviewed by Lead Counsel, concerning the Defendants failure to disclose and misrepresentation of the following material and adverse facts:

- a. that defendants had entered into an agreement allowing the certain individuals and/or

⁵ As explained herein, the length of the putative Class Period was heavily contested and challenged by Defendants. As a result of Defendants' opposition, the Class Period was shortened by the Court to begin on July 30, 1999. See Section I.C.

- entities to time their trading of the Scudder Funds shares;
- b. that, pursuant to that agreement, certain individuals and/or entities regularly timed their trading in the Scudder Funds shares;
 - c. that, contrary to the express representations in the Prospectuses, the Scudder Funds enforced their policy against frequent traders selectively, i.e., they did not enforce it against favored individuals and/or entities and waived the redemption fees, at Scudder Funds' investors expense, that those traders should have been required to pay, pursuant to Scudder Funds' stated policies; and
 - d. that the Deutsche/Scudder Defendants regularly allowed certain individuals and/or entities to engage in trades that were disruptive to the efficient management of the Scudder Funds and/or increased the Scudder Funds' costs and thereby reduced the Scudder Funds' actual performance.

24. Defendants filed omnibus motions to dismiss the Complaint on February 25, 2005 and supplemental memoranda of law on March 7, 2005. Defendants asserted that Lead Plaintiff failed to state a claim under the federal securities laws, the Investment Company Act, and state law. Specifically, Defendants argued, *inter alia*, that Plaintiffs lacked standing to bring their claims, and that they had not properly alleged scienter, reliance, and loss causation.

25. On May 2, 2005, Plaintiffs responded to Defendants' motion to dismiss the Complaint. Plaintiffs argued that they had standing to pursue their claims, and that Defendants' standing challenge was otherwise premature. Lead Plaintiff also argued that the prospectuses were materially false and misleading in failing to disclose known facts about market timing, and that Defendants omitted these facts with the requisite scienter.

26. Following briefing on the Defendants' motion to dismiss the Complaint, on August 25, 2005, this Court issued two opinions addressing common issues presented in the class actions and derivative lawsuits, respectively, in the MDL Actions.

27. On November 3, 2005, this Court issued a ruling on the separate motions to dismiss in the Scudder Sub-track, denying in part and granting in part the motions to dismiss. In December 2005 and January 2006, the parties submitted proposed orders for the Court's review and entry, and, following attempts to negotiate acceptable terms for such orders, resolve various disputes, and the submission of letters by various parties in this connection, on February 27, 2006, the Court entered the Investor Class Order on the motions to dismiss.

C. The Second Amended Complaint and Motions to Dismiss

28. Following the Court's denial of the motion to dismiss, and pursuant to the Court's Order, the Deutsche/Scudder Defendants began to produce documents that had been produced during the regulatory investigation of market timing in the Scudder funds. Lead Counsel took the opportunity provided to promptly review and analyze these documents and to serve its first set of interrogatories on the Deutsche/Scudder Defendants in order to enhance the allegations in the Complaint and determine whether any claims could be brought against additional defendants.

29. As a result of Lead Counsel's analysis of these documents, on January 17, 2006, Lead Plaintiff filed a motion for leave to amend the Complaint and to file a Second Consolidated Amended Complaint ("SAC"). On April 4, 2006, the Court granted Lead Plaintiff's motion for leave to amend.

30. The SAC added new and detailed allegations against the existing defendants. Perhaps more importantly, however, the SAC added claims against BAS, the Canary Defendants, the Aurum Defendants, and the individual UBS Defendants. These additional allegations and

claims ultimately resulted in over \$1 million in settlements, which would not have been possible absent Lead Counsel's intense efforts to analyze the initial Scudder documents and promptly move to amend the Complaint.

31. On August 24, 2006, all of the Defendants other than the Deutsche/Scudder Defendants, Defendants Savino and Chung, and the Aurum Defendants moved to dismiss the SAC. The Deutsche/Scudder Defendants requested a one-week extension and moved to dismiss the SAC on August 31, 2006. Defendants Savino and Chung filed a motion to file their motion to dismiss out of time on October 20, 2006, which request was granted by the Court on October 31, 2006. Defendants Savino and Chung filed their motion to dismiss the SAC on November 2, 2006. The Aurum Defendants did not file a motion to dismiss, instead answering the SAC.

32. Defendants made numerous arguments in their motions to dismiss, including, *inter alia*, that claims for under-the-radar market timing should be dismissed, and that certain claims against the Trader Defendants were untimely.

33. On October 24, 2006, Class Plaintiffs filed their opposition to the various motions to dismiss other than Savino and Chung. On November 10, 2006, Class Plaintiffs filed their opposition to the motion to dismiss of Savino and Chung. Class Plaintiffs argued that the SAC adequately alleged that the Deutsche/Scudder Defendants, with the requisite scienter, engaged in a deceptive scheme under Rule 10b-5 subsections (a) and (c). Plaintiffs further argued that the SAC adequately alleged that the UBS Defendants engaged in a deceptive scheme, including by knowingly permitting Defendants Cooper, Yellen, Chung, and Savino to enter in secret agreements with the Deutsche/Scudder Defendants to market time Scudder Funds. Finally, Plaintiffs argued that the claims against the Trader Defendants were timely.

34. On November 13, 2006, Defendants filed their reply briefs in support of their motions to dismiss the SAC.

35. By Order dated February 9, 2007, the Court denied in part and granted in part the various motions to dismiss. The Court held that the SAC adequately alleged that the Deutsche/Scudder Defendants, with the requisite scienter, engaged in a deceptive scheme under Rule 10b-5 subsections (a) and (c). With respect to the UBS Defendants, the Court dismissed the section 10(b) claims against the UBS corporate defendants because UBS had not traded for its own account. However, the Court sustained the claims against the UBS individual defendants (Cooper, Yellen, Savino, and Chung) based on the SAC's detailed allegations of specific negotiated agreements to permit extensive market timing. As a result, claims against the UBS corporate defendants under section 20(a) of the Exchange Act for control person liability were sustained. Claims against numerous other trader defendants were found to be time-barred. Finally, as Class Plaintiffs had conceded, the statute of repose barred all claims prior to July 30, 1999, which became the new starting date for the Class Period.

D. Motions for Reconsideration

36. On November 21, 2005, the UBS Defendants filed a motion for reconsideration of the Court's November 3, 2005 opinion denying UBS' motion to dismiss the Complaint. Class Plaintiffs filed a brief in opposition to this motion on December 7, 2005. On January 5, 2006, the UBS Defendants filed a reply memorandum of law in support of their motion to dismiss. This motion was mooted by the filing of the SAC

37. On March 30, 2007, the UBS Defendants filed motions for reconsideration of the Court's February 9, 2007, Order denying their motions to dismiss the SAC. On April 16, 2007, Class Plaintiffs filed their memorandum of law in opposition to the UBS Defendants' motion for

reconsideration. On April 25, 2007, the UBS Defendants filed reply memoranda in support of their motions for reconsideration. At the time of the settlement between Class Plaintiffs and the UBS Defendants, this motion had not been ruled upon.

38. On August 7, 2007, Defendant Pritchard Capital filed a motion for reconsideration of its motion to dismiss the SAC. On August 30, 2007, Class Plaintiffs filed their opposition to Pritchard Capital's motion for reconsideration. Class Plaintiffs ultimately dismissed Pritchard from the case on December 11, 2007, prior to a ruling on the motion for reconsideration.

E. Motions to Dismiss for Lack of Article III Standing

39. On July 3, 2007, numerous defendants joined in an omnibus motion to dismiss for lack of Article III standing and for a determination of applicable law under Fed.R.Civ.P. 23, and, in some cases, filed their own supplemental motions to dismiss for lack of standing. On August 10, 2007, Class Plaintiffs and Derivative Plaintiffs joined in omnibus memoranda of law in response to the Defendants' motions to dismiss for lack of standing. Lead Counsel assisted in the drafting of these omnibus memoranda of law.

40. Pursuant to discussions among the parties and the Court during the October 5, 2007, hearing concerning defendants' motion, Plaintiffs' consented to the dismissal of claims against certain defendants with leave for Plaintiffs to amend their complaints to add additional plaintiff. The Court issued an Order on October 10, 2007 dismissing the claims against certain defendants and granting Plaintiffs leave to amend.

41. As a result of the Court's ruling on the motion to dismiss for lack of standing, on December 10, 2007 Class Plaintiffs filed a Third Amended Consolidated Class Action Complaint ("TAC"). The TAC added Tony David as a named representative plaintiff, as Mr. David had purchased shares Scudder funds which were traded by Paul Cooper, Michael Yellen, William

Savino, and Christopher Chung during their employment with J.C. Bradford & Co. and/or UBS Financial Services.

F. Fact Discovery

42. The parties engaged in extensive fact discovery that was completed at the time the proposed settlement was reached.

43. Over the course of several years, the Deutsche/Scudder Defendants produced more than 870,000 pages of documents related to Class Plaintiffs' claims. Included in these documents were transactional records for more than 177 million trades made in all Scudder Funds during the Class Period.

44. In addition, the UBS Defendants produced more than 6,500 pages of documents in connection with Class Plaintiffs' claims. Lead Counsel's analysis of these documents was completed shortly after Class Plaintiffs and the UBS Defendants reached a settlement.

45. In addition, the Aurum Defendants produced more than 170,000 pages of documents in connection with Class Plaintiffs' claims.

46. In addition, during the course of discovery, Lead Plaintiff reviewed documents subpoenaed from eleven third-parties, including, among others, Charles Schwab, Fidelity, TD Waterhouse, Bear Stearns, and Investec. More than 100,000 pages of documents were received from these third-parties.

47. In addition to document discovery, the parties served and responded to numerous interrogatories and requests for admission. Lead Plaintiff served two sets of interrogatories and three sets of requests for admission on Defendants.

48. Lead Counsel also deposed the key party and non-party witnesses, including twenty-five current and former employees of the Deutsche/Scudder Defendants. Attached hereto as Exhibit D is a chart of the depositions taken during the course of the litigation. The great majority of these depositions were taken by or defended by Lead Counsel.

G. Expert Discovery

49. Lead Plaintiff retained and consulted with experts on damages and liability issues. Following fact discovery, the parties exchanged the reports of the damages and liability experts and deposed their respective experts.

50. Lead Plaintiff's testifying experts included:

a. Marc Vellrath, PhD, C.F.A. Lead Plaintiffs' damages expert opined on damages caused by market timing in the Scudder Funds. Dr. Vellrath provided an expert report on March 31, 2008 and a rebuttal report on May 2, 2008, opining that: (1) based on an analysis of the Scudder transactional data, hundreds of millions of dollars in dilution damage had been caused by frequent, short-term, in-and-out trading in the Scudder Funds; and (2) the rapid improper trading in Scudder Funds caused tens of millions of dollar's in incremental trading and administrative costs. In addition, Dr Vellrath testified at a deposition on June 10-12, 2008, which was defended by Lead Plaintiff's Counsel with respect to both the Scudder expert reports and with respect to omnibus issues affecting the four actively litigating subtracks as of that time. Dr. Vellrath also submitted an additional Declaration following the hearings on class certification and summary judgment, in order to provide clarification of certain issues as requested by the Court. Lead Counsel worked closely with Dr. Vellrath throughout the case in order to develop Class

Plaintiffs' damages theory as well as in numerous attempts to settle the case prior to its ultimate resolution.

b. Edward S. O'Neal, Ph.D. Dr. O'Neal was one of two experts retained by Lead Counsel to opine on issues of liability and scienter. Dr. O'Neal provided an expert report on March 31, 2008 and a rebuttal expert report on May 2, 2008 opining that the conduct of Deutsche/Scudder Defendants during the Class Period was reckless in that it was highly unreasonable and represented an extreme departure from the standards of ordinary care in: (a) designing and implementing policies and procedures to deal with the known problem of market timing, and (b) failing, on a timely basis, to disclose publicly that market timing was occurring in the Scudder Funds and was causing harm to long-term shareholders. Dr. O'Neal testified at a deposition on May 29, 2008, that was defended by Lead Counsel.

c. M. Kathleen Leugers. Ms. Leugers was retained by Lead Counsel to further opine on issues of the Deutsche/Scudder Defendants' liability and scienter, including opining on their market timing detection and deterrent efforts from a mutual fund operations perspective. Ms. Leugers provided an expert report on March 31, 2008 and a rebuttal expert report on May 2, 2008 opining that the Deutsche/Scudder Defendants' market timing detection and deterrence efforts were inadequate in that they were retroactive and inconsistently applied, often due to considerations of maintaining assets in the Funds. Ms. Leugers testified at a deposition on June 3, 2008, which was defended by Lead Counsel.

51. Defendants testifying experts included Dr. Christopher M. James, who provided an expert report on April 23, 2008, a supplemental expert report on June 5, 2008, and testified at a deposition on September 19, 2008, opining on issues of damages and loss causation, and Dr.

John M.R. Chalmers, who provided an expert report on April 23, 2008 and testified at a deposition on June 18, 2008, opining on issues of liability and scienter. Defendants' experts vigorously challenged the reports of Plaintiffs' experts.

52. On July 2, 2008, the Deutsche/Scudder Defendants filed motions *in limine* to exclude the testimony of each of Class Plaintiffs' experts. Defendants argued, *inter alia*, that Plaintiffs' experts were not properly qualified, that their methodologies were not supported by peer-reviewed literature, and that their opinions did not fit the facts of the case.

53. On September 24, 2008, Class Plaintiffs filed briefs in opposition to Defendants' motions *in limine*. Plaintiffs argued that the experts were eminently qualified, and that their opinions and methodologies were sound.

54. The Deutsche/Scudder Defendants' motions to exclude the testimony of each of plaintiffs' experts were pending at the time settlement was reached.

H. Class Certification and Summary Judgment

55. On July 2, 2008, Class Plaintiffs filed a motion seeking an order certifying the Action as a class action under Fed. R. Civ. P. 23. Class Plaintiffs' motion sought to certify a class consisting of all persons who purchased and/or held certain Scudder Funds during the period from July 30, 1999 through January 12, 2004, inclusive. Excluded from the proposed Class were Defendants, members of the immediate families of the Individual Defendants, any parent, subsidiary, affiliate, officer or director of Defendants, any entity in which any excluded person had a controlling interest and the legal representatives, heirs, successors and assigns of any excluded person. Class Plaintiffs' motion also sought an order certifying Lead Plaintiff PRHIPT and Plaintiffs Cape and David as Class Representatives.

56. In support of their motion for class certification, Class Plaintiffs joined in an omnibus memorandum of law in support of class certification. Lead Counsel took on the primary drafting responsibilities for the omnibus class certification motion, coordinating with each of the other actively litigating cases. In addition, Class Plaintiffs filed their own supplemental memorandum of law in support of class certification.

57. On September 24, 2008, Defendants filed a memorandum on law in opposition to Lead Plaintiff's motion for class certification. Defendants asserted that the proposed representative plaintiffs were not sufficiently knowledgeable about the action and were otherwise inadequate to serve as class representatives.

58. On November 5, 2008, Class Plaintiffs filed a reply memorandum in further support of their motion for class certification, arguing, *inter alia*, that Defendants' attacks upon Class Plaintiffs' adequacy were without basis in fact or law.

59. Also on July 2, 2008, the Deutsche/Scudder Defendants filed a motion for summary judgment seeking dismissal of the Class Action. Defendants argued that Class Plaintiffs could not prove scienter, reliance, or loss causation. Defendants further argued that, if Dr. Vellrath's testimony were excluded as they were requesting in their contemporaneously filed motion *in limine*, Plaintiffs would be unable to prove damages and the case should be dismissed.

60. On September 24, 2008, Class Plaintiffs filed a memorandum of law in opposition to the Deutsche/Scudder Defendants' motion for summary judgment. Class Plaintiffs argued, *inter alia*, that, at minimum, there were genuine issues of material fact that each of the elements of scienter, reliance, loss causation, and damages could be established.

61. On November 5, 2008, Defendants filed a reply memorandum of law in support of

their motions for summary judgment.

62. On December 11 and 12, 2008, the Court held hearings on the motion for class certification, motion for summary judgment, and motions *in limine* to exclude Plaintiffs' experts. Lead Counsel took on primary responsibility in arguing omnibus issues on behalf of Plaintiffs in the actively litigating cases. Following the hearings, the Court requested additional information regarding trading in the Scudder Funds and on Dr. Vellrath's damages methodology. Lead Counsel worked with Dr. Vellrath to provide this information to the Court.

63. At the time Plaintiffs and the Deutsche/Scudder Defendants reached an agreement in principle to settle the Actions, these various motions were still pending before the Court. However, the motions for summary judgment in the Putnam and Janus sub-tracks had been granted in favor of defendants in those sub-tracks.

I. Settlement Discussions

64. Lead Counsel began discussing settlement with the Deutsche/Scudder Defendants as early as 2005. Pursuant to the Court's Case Management Order, Lead Counsel took on the primary role of negotiating on behalf of both Class and Derivative Plaintiffs. However, despite numerous in-person negotiation sessions, the parties were unable to successfully resolve the Actions.

65. In early 2008, following the Court's denial of the UBS Defendants' motions to dismiss the SAC and the production of documents by the UBS Defendants, Lead Counsel entered into negotiations with counsel for the UBS Defendants on a possible settlement. As a result of these negotiations, the UBS Defendants agreed to settle the Class' claims against them for \$850,000 in cash, along with cooperation in the form of interviews with Defendants Cooper,

Yellen, Chung, and Savino. Class Plaintiffs and the UBS Defendants signed a Memorandum of Understanding (“MOU”) on March 27, 2008, memorializing the principle terms of the settlement, and UBS funded the \$850,000 cash portion of the settlement on October 15, 2008. Class Plaintiffs and the UBS Defendants agreed to wait until all potential settlements with other defendants were reached before finalizing the documentation for the UBS settlement.

66. In mid-2008, after the close of discovery and after the Aurum Defendants had filed a motion for summary judgment, Lead Counsel entered into settlement discussions with counsel for the Aurum Defendants regarding possible settlement of the Class’ claims against Aurum. Ultimately, Class Plaintiffs and the Aurum Defendants agreed to settle these claims for a \$25,000 cash payment, along with cooperation from the Aurum Defendants to assist Class Plaintiffs in prosecuting their claims against the non-settling defendants. Plaintiffs and Aurum signed an MOU on September 24, 2008.

67. In late 2008, around the time of the hearings on class certification and summary judgment, the parties agreed to schedule a mediation to attempt to finally resolve the Actions. The parties retained Michael D. Young of JAMS as the mediator. In preparation for the mediation, the parties prepared extensive mediation statements on liability and damages, as well as extensive compendia of supporting exhibits. On April 2 and 14, 2009, the parties participated in two intense days of mediation sessions with Mr. Young. These mediation sessions did not result in a settlement of the Actions, though the parties made significant progress toward a resolution. Several weeks after the mediation sessions, following continued negotiations with the assistance of the mediator, Plaintiffs and the Deutsche/Scudder Defendants were able to reach an agreement in principle to settle the Actions.

68. Lead Plaintiff was kept apprised of all major developments in the settlement negotiation process. As described herein and in the accompanying Settlement Memorandum, the settlement was the product of diligent efforts of the parties and their counsel.

H. Post-Settlement Negotiations and Documentation

69. Following the agreement in principle with the Deutsche/Scudder Defendants, Lead Counsel and counsel for all of the settling Defendants engaged in months of negotiations regarding the scope of the settlement class, the final documentation of the settlement in numerous Stipulations, and a means to provide a reserve for defense costs in related pending litigation against the Deutsche/Scudder Defendants. These negotiations were vigorous and intense. After months of effort, the parties were able to agree on which Scudder Funds would be included in the settlement class. Plaintiffs and the Deutsche/Scudder Defendants also resolved the issue regarding the pending litigation against the Deutsche/Scudder Defendants. Finally, on February 12, 2010, the Stipulation between Plaintiffs and the Deutsche/Scudder Defendants, the UBS Defendants, and the Aurum Defendants was executed. The severed settlement agreement between Plaintiffs and BAS was executed on January 28, 2010, and between Plaintiffs and the Canary Defendants on January 27, 2010.

70. The Settlement of \$13,966,000, plus interest, represents a substantial recovery for the Class in light of the attendant risks of continued litigation, as described below. The Settlement negotiations between Lead Plaintiff's Counsel and counsel for the Defendants were conducted at arms-length and in good faith.

II. PETITION FOR ATTORNEYS FEES AND LITIGATION EXPENSES

A. Introduction

71. Plaintiffs' Counsel's efforts to date have been without compensation of any kind and any fee has been wholly contingent upon the results achieved. As compensation for these efforts, Plaintiffs' Counsel respectfully jointly request that this Court award attorneys' fees of 29.25% of the \$13.966 million Settlement Amount (including 1.25% for Liaison Counsel), plus interest at the same rate as that earned by the Settlement Amount, reimbursement of \$973,395.15⁶ in expenses that Plaintiffs' Counsel incurred in successfully prosecuting the claims in this Action, plus interest, and reimbursement of \$16,413.60 in costs and expenses Lead Plaintiff PRHIPT directly relating to the representation of the Class, plus interest. This fee award is sought with the consent of Lead Plaintiff. *See* Ex. C, Hoffman Declaration, ¶ 14. Plaintiffs' Counsel, including Lead Class Counsel, other Class Counsel, Class Liaison Counsel (*i.e.* Tydings & Rosenberg LLP) and Derivative Counsel, have at all times assumed the responsibility of litigating the Actions on a contingent-fee basis, such that any attorney's fee would be paid only upon achieving a recovery for the benefit of investors in the Scudder Funds during the Class Period, or the Scudder Funds themselves (with respect to Derivative Counsel), by settlement or judgment. It is Lead Class Counsel's understanding that Defendants' counsel were compensated on an on-going basis by their clients throughout the pendency of the Actions.

72. Berger & Montague, as Lead Class Counsel, alone spent more than 22,000 hours litigating the Class Action and securing the Settlement, resulting in a cumulative lodestar of \$8,626,756.40. *See* Ex. F, Berger & Montague, P.C. Lodestar Report and Firm Resume.

⁶ Plaintiffs' Counsel's requests includes an additional \$1,500 for Class Counsel's and Derivative Counsel's expenses related to attending the final approval hearings in Baltimore on October 21-22, 2010.

Collectively, other counsel for the Class, which includes Barroway Topaz Kessler Meltzer & Check, LLP (“Barroway Topaz”), Milberg LLP, and Tydings & Rosenberg LLP (along with Berger & Montague, referred to herein as “Class Counsel”), have informed me that they spent 2,543.54 hours litigating this Class Action, resulting in a cumulative lodestar of \$887,386.55. *See* Ex. H, Affidavit of Michael K. Yarnoff in Support of Joint Petition for Attorneys’ Fees and Reimbursement of Expenses Filed on Behalf of Barroway Topaz Kessler Meltzer & Check, LLP (“Yarnoff Affidavit”); Ex. I, Affidavit of Clifford S. Goodstein in Support of Joint Petition for Attorneys’ Fees and Reimbursement of Expenses Filed on Behalf of Milberg LLP (“Goodstein Affidavit”). Derivative Counsel has informed me that that they spent hours 3,340.78 litigating the Derivative Action, resulting in a cumulative lodestar of \$1,563,011.21. *See* Ex. J, Affidavit of Mark C. Rifkin in Support of Joint Petition for Attorneys’ Fees and Reimbursement of Expenses Filed on Behalf of Wolf Haldenstein Adler Freeman & Herz LLP (“Rifkin Affidavit”); Ex. K, Affidavit of Nadeem Faruqi in Support of Joint Petition for Attorneys’ Fees and Reimbursement of Expenses Filed on Behalf of Faruqi & Faruqi LLP (“Faruqi Affidavit”); Ex. L, Affidavit of Burton H. Finkelstein in Support of Joint Petition for Attorneys’ Fees and Reimbursement of Expenses Filed on Behalf of Finkelstein Thompson LLP (“Finkelstein Affidavit”). Pursuant to agreement of the parties, whatever fee is awarded in the Class Action will be apportioned (in amounts to be determined) with counsel for the Derivative Action. The fee requested for Class and Derivative Counsel represents a negative multiplier of approximately 0.35 to Plaintiffs’ Counsel’s aggregate lodestar.⁷ A master chart of the cumulative lodestar and expenses is annexed hereto as Exhibit E.

73. As Lead Class Counsel, attorneys, paralegals, and other professionals and para-professionals of my firm were directly involved in all aspects of the prosecution of the Class

⁷ Excluding the lodestar and 1.25% fee request for Liaison Counsel.

Action. Services rendered and work performed by Berger & Montague in this Class Action to date include the following: (a) pre-filing research and investigation of the applicable facts and law underlying Plaintiffs' claims, including analysis of public information and interviews of former employees of various persons and/or entities involved in market-timing on a confidential basis; (b) research and drafting of the extensive Complaint, the SAC, and the TAC; (c) research and drafting of numerous memoranda of law and other submissions in support of or in opposition to motions filed with the Court, including PRHIPT's motion for lead plaintiff and lead counsel appointment; submissions in opposition to multiple Defendants' motions to dismiss the Complaint and SAC; (d) drafting of various status reports and participation in various status conferences as requested by the Court; (e) extensive document discovery and document review, drafting and respond to interrogatories, drafting requests for admission and arguing a motion to compel regarding same, preparation for and taking and defense of more than 50 depositions, including expert depositions; (f) negotiating, reviewing, and analyzing in conjunction with Lead Plaintiff's retained damages consultant extensive trading data relating to Scudder Funds; (g) drafting and arguing motions for class certification; (h) drafting and arguing briefs in opposition to summary judgment and to Defendants' motions *in limine* to exclude Class Plaintiffs' damages and liability experts; (i) extensive discussions and negotiations regarding possible settlement of the Actions, including extensive further consultation with Lead Plaintiff's damages consultant, and counsel for the Deutsche/Scudder Defendants; (j) negotiation of the Stipulation with the Deutsche/Scudder Defendants, as well as MOU's and Stipulations with the UBS Defendants, Aurum Defendants, Canary Defendants and BAS; (k) discussions and other communications with counsel and the Lead Plaintiff concerning litigation status and strategy; (l) preparation for and appearances at this

Court's May 7, 2010, hearing to seek preliminary approval of the Settlement; and (l) attention to various matters relating to notice to the class and settlement administration, including soliciting bids for notice and claims administration, consultations with the Deutsche/Scudder Defendants and the Scudder IDC regarding Class member records and data, and consultations with counsel in other Sub-tracks regarding coordination of establishing a settlement website, and related matters.

74. As reflected in Exhibit F, the total number of hours expended on this litigation by my firm in connection with the prosecution of this litigation is 22,744.28. The total lodestar of my firm is \$8,626,756.40 consisting of \$7,120,332.40 for attorney time and \$1,506,424 for non-attorney time.

75. The lodestar calculation reflected in Exhibit F is based on Berger & Montague's current billing rates. For attorneys and employees no longer employed by the firm, the lodestar calculation is based upon the billing rate during his or her last year of employment with the firm. This schedule was prepared from contemporaneous, daily time records regularly prepared and maintained by the firm.

76. The hourly rates for the attorneys, paralegals, and other professionals and para-professionals at the firm listed in Exhibit F are the same as the regular current rates charged for their services in non-contingent fee matters and/or which have been accepted and approved in other securities or shareholder litigations.

77. The firm's lodestar figures are based upon the firm's billing rates, which rates do not include charges for expense items. Expense items are billed separately and such charges are not duplicated in the firm's billing rates.

78. The joint fee requested is well within the range of fees commonly awarded by

Courts in this District and Circuit, evaluated either as a percentage of the recovery or as a function (in this case, a negative multiple) of counsel's lodestar. The level of contingency risk was high, and Plaintiffs' Counsel faced the real risk that the Actions might be dismissed even at the pleading, much less summary judgment, stage, or at trial. The passage of time since the occurrence of the events at issue in this Class Action made proving Plaintiffs' case all the more problematic, and Defendants had substantial defenses, as set forth herein and in the accompanying Final Approval Memorandum. The result achieved, after years of litigation, is excellent and justifies the award of fees requested.

79. Plaintiffs' Counsel also respectfully seeks reimbursement of \$973,395.15 in aggregate out-of-pocket expenses incurred to date.⁸ Plaintiffs' Counsel were required to advance substantial funds in the Actions for, among other items, investigators; consulting expert fees and costs; transportation, meals and lodging; photocopying; on-line legal and court docket research; court filing retrieval services; telephone and facsimile transmission; and court filing fees. My firm's reimbursable expenses, totaling \$548,124.24, are categorized in Exhibit G.

80. Lead Class Counsel engaged a consulting damages expert during the course of this litigation. This expert was engaged on a non-contingent fee basis.

81. Because the above-mentioned expenses were advanced with no guarantee of recovery, Plaintiffs and their Counsel had a strong incentive to keep them to a reasonable level.

82. As set forth above, while Lead Class Counsel performed the lion's share of the work-load in prosecuting the Class Action, Berger & Montague was also assisted in the

⁸ Each investor class plaintiffs' firm contributed to a Litigation Fund to pay certain common expenses--primarily expert witness expenses. There is a small residual amount in the Litigation Fund that needs to be allocated among the plaintiffs' firms, and that allocation effort is ongoing. This allocation will likely reduce the expense request in certain sub-tracks. Plaintiffs' counsel will submit any adjusted expense requests with the reply papers that are due on October 6, 2010.

prosecution of the Class Action by other Plaintiffs' counsel, namely, Barroway Topaz Kessler Meltzer & Check, LLP, Milberg LLP and Tydings & Rosenberg LLP. Such other Plaintiffs' counsel aided Lead Class Counsel in prosecuting the Class Action primarily by performing non-duplicative review in document discovery, and Barroway Topaz assisted in the preparation of the Consolidated Amended Class Action Complaint, including retaining an investigator for such purpose, as reflected in its expenses indicated herein.

83. A chart summarizing Barroway Topaz's lodestar and expenses is attached hereto as Exhibit H. The total lodestar of Barroway Topaz is \$185,363.05 consisting of \$147,015.80 for attorney time and \$38,347.25 for non-attorney time. Barroway Topaz's reimbursable expenses total \$162,693.47.

84. A chart summarizing Milberg LLP's lodestar and expenses is attached hereto as Exhibit I. The total lodestar of Milberg LLP is \$702,023 consisting of \$466,880.00 for attorney time and \$235,143.50 for non-attorney time. Milberg LLP's reimbursable expenses total \$164,706.75.

85. A chart summarizing Wolf Haldenstein's lodestar and expenses is attached hereto as Exhibit J. The total lodestar of Milberg LLP is \$1,240,655.00 consisting of \$1,099,695.00 for attorney time and \$140,960.00 for non-attorney time. Wolf Haldenstein's reimbursable expenses total \$89,709.63.

86. A chart summarizing Faruqi & Faruqi, LLP's lodestar and expenses is attached hereto as Exhibit K. The total lodestar of Faruqi & Faruqi, LLP is \$274,113.75 consisting of \$255,135.00 for attorney time and \$18,978.75 for non-attorney time. Faruqi & Faruqi, LLP's reimbursable expenses total \$3,302.59.

87. A chart summarizing Finkelstein Thompson LLP's lodestar and expenses is attached hereto as Exhibit L. The total lodestar of Finkelstein Thompson LLP is \$48,242.46 consisting of \$45,763.95 for attorney time and \$2,478.51 for non-attorney time. Finkelstein Thompson LLP's reimbursable expenses total \$3,358.47.

88. I have been informed that John Isbister of Tydings & Rosenberg LLP will be submitting an affidavit on behalf of the time and expenses incurred by Class Liaison Counsel.

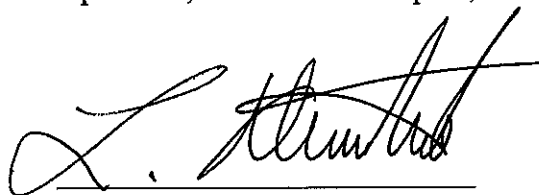
89. The various Notices disseminated to Settlement Class Members expressly stated that Lead Class Counsel would ask the Court, on behalf of all Plaintiffs' Counsel, to award attorneys' fees from the Settlement Amount in an amount of approximately 29.25% of the Settlement Amount, plus interest, and to award them reimbursement of their litigation expenses incurred in connection with the prosecution of the Actions in an amount not to exceed \$1,050,000. As of September 14, 2010, no one has objected to the fee and expense application.

90. Lead Plaintiff and Lead Class Counsel also seek a Plaintiffs' Award of \$16,413.60 to the Court-appointed Lead Plaintiff, PRHIPT, for its reasonable costs and expenses directly relating to its representation of what ultimately became the Settlement Class, including Lead Plaintiff's participation in the litigation and supervision of settlement negotiations, with such amount also being awarded from the Settlement Amount. PRHIPT stepped forward to safeguard the interests of investors in the Scudder Funds during the Class Period, and has ably, astutely and diligently overseen the prosecution of the Class Action and all material aspects thereof. The accompanying Declaration of Richard Hoffmann, Esq. attests to, among other things, PRHIPT's work and supervision of counsel in this case, its review and approval of Lead Class Counsel's work and all significant submissions to this Court on behalf of, among others, the Settlement

Class, including reviewing case filings, case status reports, and other case-related materials, and participating in conference calls with Lead Class Counsel to discuss the overall strategy for the prosecution of the Class Action; its understanding of its fiduciary duty to the Settlement Class, among others; its involvement in settlement negotiations and the resolution of the Actions; its recommendation of the proposed Settlement as well as Plaintiffs' Counsel's request for attorneys' fees and reimbursement of expenses; and the costs (including lost wages for time devoted to the prosecution of this Class Action) that its representatives incurred in connection with the prosecution and settlement of the Class Action. *See* Ex. C, Hoffmann Decl. at ¶¶ 6, 9, 11-13. Lead Plaintiff and Lead Class Counsel respectfully submit that such Lead Plaintiff's Award for its contribution to this case to help obtain an excellent result for the Class is reasonable and fully merited.

DECLARATION OF LAWRENCE DEUTSCH

The foregoing is true and correct to the best of my knowledge, information and belief.
Executed under the penalties of perjury on this 14th day of September, 2010 in Philadelphia,
Pennsylvania.


Lawrence Deutsch